

# PRESERVING THE FUTURE OF GREENBELT LAKE

CITY OF GREENBELT, 25 CRESCENT ROAD, GREENBELT, MD 20770

## BORROWING REFERENDUM

Tuesday, November 7, 2017

### BORROWING REFERENDUM QUESTION

Shall the City of Greenbelt be authorized to borrow an amount not exceeding Two Million Five Hundred Thousand Dollars (\$2,500,000) for the purpose of financing the repair of Greenbelt Lake Dam per Maryland Department of the Environment Consent Order DSD-2010-5 as described in Ordinance No. 1359 of the City.

## Postal Customer

### CITY ELECTION VOTING LOCATIONS NOVEMBER 7 FROM 7AM-8PM

**PRECINCT 3:** GREENBELT COMMUNITY CENTER  
15 CRESCENT ROAD

**PRECINCT 6:** POLICE STATION, 550 CRESCENT ROAD

**PRECINCT 8:** SPRINGHILL LAKE RECREATION CENTER  
6101 CHERRYWOOD LANE

**PRECINCT 13:** GREENBRIAR COMMUNITY CENTER  
7600 HANOVER PARKWAY

**PRECINCT 18:** SCHROM HILLS PARK  
6915 HANOVER PARKWAY

### EARLY VOTING

Early Voting at Schrom Hills  
Park, 6915 Hanover Parkway

Saturday, October 21 from  
9am-1pm and  
Sunday, October 22 from  
11am-2pm

Early Voting at Municipal  
Building, 25 Crescent Road

Monday, October 23 -  
Friday, November 3  
(Monday, Wednesday,  
Thursday, & Friday 9am-5pm,  
Tuesday, 9am-8pm)

Early Voting at Springhill  
Lake Recreation Center,  
6101 Cherrywood Lane

Saturday, October 28  
9am-1pm  
Sunday, October 29  
11am - 2pm



## Dear Greenbelt Resident:

On September 25, 2017, the Greenbelt City Council adopted an ordinance authorizing a \$2.5 million borrowing for repairing the dam at Greenbelt Lake. The State is mandating these repairs.

Before this ordinance can become effective, it must be approved by a majority of voters of the City of Greenbelt. A borrowing question will appear on the ballot of the Regular City Election on November 7, 2017. Citizen approval of this borrowing will provide funds needed to repair the Greenbelt Lake Dam located in Buddy Attick Park on Crescent Road.

This brochure has been prepared to assist you in reaching an informed decision on this important question. We urge you to study the information carefully and to vote in the November 7 election. It is our hope that after reviewing the facts, you will conclude, as we have, that this repair project is needed and borrowing the funds to preserve one of Greenbelt's greatest assets will benefit you and all citizens of Greenbelt.



## BORROWING AT A GLANCE

**The Maryland Department of the Environment is requiring the City to complete repairs on our Greenbelt Lake Dam.**

According to the State and consulting engineers, the Greenbelt Lake Dam is experiencing significant leaking. Soil on the opposite side of the dam is wet and observation wells within the dam indicate water seepage. This project will make needed repairs to the dam, embankment and spillway including: installation of a filter blanket system, raising the dam embankment, repairing the spillway and replacing the bridge deck over the spillway.

- The City proposes to obtain a low interest loan through the Maryland Water Quality Financing Administration.
- Voters must approve the authorization for the City to borrow funds for capital improvements.
- Approval will permit the issuance of up to \$2.5 million of borrowed funds.
- Voting will take place Election Day, November 7, 2017, as well as during early and absentee voting.
- Greenbelt residents must be registered with Prince George's County in order to vote in City Elections.
- The City urges you to vote "For" this Borrowing Referendum.

## YOUR VOTE IS VERY IMPORTANT-PLEASE VOTE!

## WHY BORROW?

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Greenbelt is one of the most attractive places to live, work and play in Prince George's County and the metropolitan area. The City Council and staff have worked to maintain a high level of City services with appropriate facilities for City residents. Large capital projects are often financed through bonds or loans. This loan allows the City to borrow the needed funds, complete the project at one time instead of in phases, take advantage of a very low interest rate (approximately 2%) and receive flexible loan terms. This rate is better than the City could obtain in the current commercial market. This borrowing will allow the City to continue to fund other capital projects (i.e. roads, sidewalks, parks, playgrounds, bus shelters, facility repairs, etc.) using available cash, grants, partnerships, etc.

After extensive consideration of our capital needs, the City Council has decided to seek citizen approval for the City to borrow up to \$2.5 million.

## WHAT IS GENERAL OBLIGATION BORROWING?

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General obligation borrowing is a long-term borrowing of funds for capital expenditures similar to a mortgage loan. As proposed, the City pledges its full faith and credit towards the repayment of the borrowing and agrees to levy such taxes as may be necessary to assure the payment of the debt.

The Greenbelt City Charter requires the approval of a majority of voters at an election before an ordinance adopted by the Council authorizing general obligation borrowing can go into effect.

## THE COST OF BORROWING

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In the upcoming election, voters will decide whether to authorize the City Council to borrow the funds. If approved, the Council, with the help of its advisors, financial and legal, will decide when to borrow the funds. The City plans to obtain a loan through the MDE Maryland Water Quality Financing Administration (MWQFA) Water Quality Revolving Loan Fund (WQRLF). The total of all borrowing cannot exceed \$2.5 million as proposed in Ordinance 1359. General obligation borrowing is a complicated matter and the City must comply with many State and Federal regulations.

It is not possible, at this time, to determine the exact cost of the borrowing to the taxpayer. There are many variables, such as interest rates, loan closing dates, and growth in City revenues, which will affect the cost. If approved by the voters, the City would borrow up to \$2.5 million. The City will only borrow what it actually needs to complete this project. Debt service on this maximum loan amount could be approximately \$151,000/year for 20 years. Staff hopes to make the annual loan repayment without increasing taxes. If a tax rate increase were necessary to fund this level of debt service, it would be approximately **\$0.0075, or 3/4 of one cent, per \$100** of assessed value (e.g. a \$15.00 increase, on a house assessed at \$200,000). As in past bond issues or borrowing, the City Council and staff will do everything possible to minimize the impact to taxpayers.



Photo by  
Cynthia  
Cummings

## GREENBELT LAKE DAM REPAIR

Greenbelt Lake was built in 1936, 81 years ago. (The lake was the first element of the town that was constructed.) Like much of our Nation's infrastructure, it is aging and needs repairs. The Maryland Department of the Environment (MDE) has classified the dam as a high hazard. If the dam were to breach or fail, there could be significant property damage and potential loss of life downstream (Kenilworth Avenue, Greenbelt Marriott, Capital Beltway and parts of Franklin Park).

MDE regulates and inspects all dams in Maryland. Under State law, MDE has the authority to mandate needed repairs and, if necessary, order a lake to be drained/closed. According to MDE and consulting engineers, the dam is experiencing significant seepage. Soil on the opposite side of the dam is wet, and observation wells within the dam indicate water leaking. In 2010, MDE issued a Consent Order requiring the City to complete these repairs.

This project will make needed repairs to the dam, embankment and spillway including: installation of a filter blanket system, raising the dam embankment, repairing the spillway and replacing the bridge deck over the spillway. MDE will review and inspect all aspects of this project.

The City plans to solicit bids in early 2018. It is expected to take approximately 9 months to complete these repairs. The project should be substantially completed by the end of 2018. The path over the dam and surrounding areas will be closed during the construction. The water level must also be lowered for the safety of workers, to prevent sediment laden water from being released downstream, and to avoid large delays caused by cleaning up the work area after storm events. There will be some noise impacts from construction activities. The City will work to minimize these impacts.



Photo by Tim Uher



Photo by Jean Stefanie Bangcaya

**Vote for the future of our lake!**  
**Tuesday, November 7, 2017**